

HOME PRICE PERFORMANCE

Long term home price appreciation is measured to establish an Average Annual Home Price Appreciation Rate. The data set used for this chart goes back to 1996 – the longest term measurement of institutional-quality data available. It encompasses the mild period in the late 1990's, the price volatility of the 2000's and the beginnings of the recovery. The contrast of the county, state and nation provides insight into the relative price point and volatility of the subject market.

AVERAGE ANNUAL APPRECIATION RATES

Mecklenburg County (Charlotte)	0.96%
NC	1.79%
USA	1.38%

Analysis Price:	\$ 160,000
Closing Cost:	\$ 3,200
Rehab Cost:	\$ 5,000
Total Investment:	\$ 168,200
Financing	
Down Payment:	\$ 40,000
Mortgage Amount:	\$ 120,000
Mortgage Rate:	4.50 %
Monthly Mortgage Payment:	\$ 608
Annual Mortgage Payment:	\$ 7,296
Total Cash Invested:	\$ 48,200

Income

Broker Rent Opinion:	\$ 1,425
Annual Rent:	\$ 17,100
Vacancy Amount:	\$ 810
Effective Rent:	\$ 16,290
Annual Rent Increase:	2.00 %
Broker Rent Comment:	

Operating Expenses

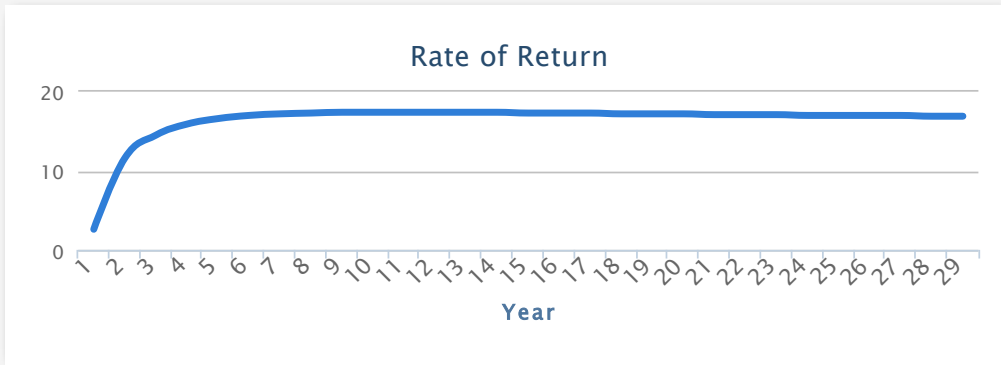
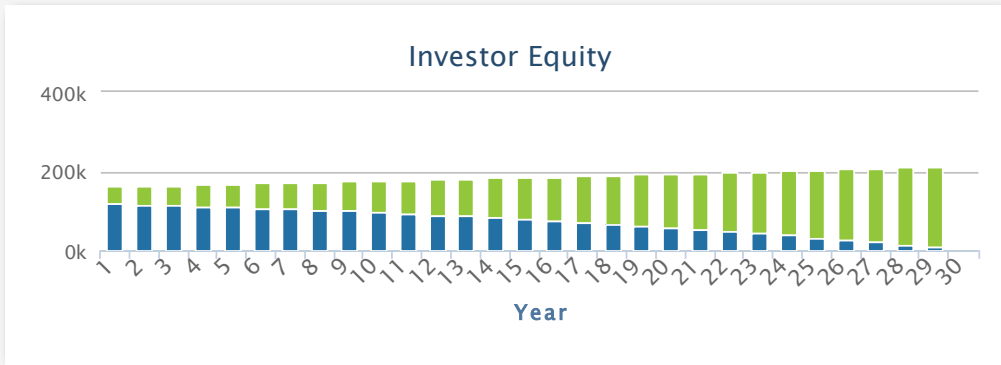
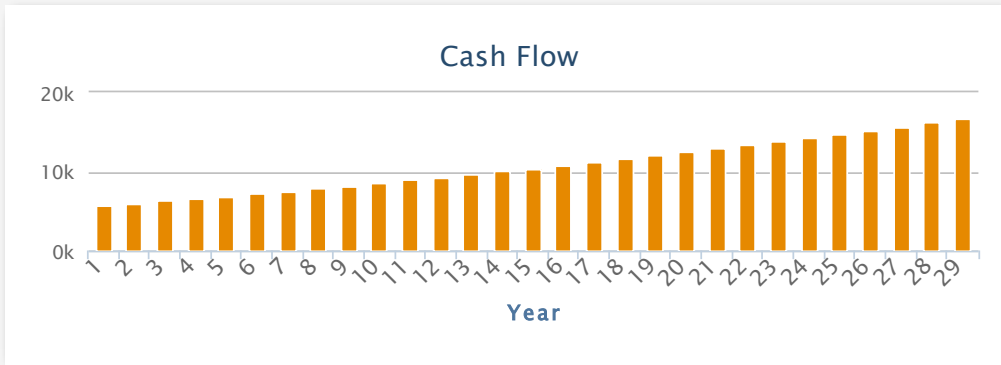
Property Tax:	\$ 2,015
HOA Dues:	25
Property Management:	\$ 1,000
Insurance:	\$ 100
Maintenance:	\$ 150
	Name Amount
Other:	\$ 0
Other:	\$ 0
Other:	\$ 0
Total Operating Expenses:	\$ 3,290
Annual Expense Increase:	1.00 %



YIELD ANALYSIS

Potential Returns

Net Operating Income: <small>[Effective Rent – Total Operating Expenses]</small>	\$ 13,000
Net Yield <small>[Net Operating Income ÷ Total Investment]</small>	7.73 %
Cash Flow <small>[Net Operating Income – Annual Mortgage Payment]</small>	\$ 5,704
Cash on Cash Return <small>[Cash Flow ÷ Total Cash Invested]</small>	11.83 %
Average Home Price Appreciation <small>[Long Term County Average]</small>	0.96 %
Total Return on Investment <small>[Cash on Cash Return + Average Home Price Appreciation]</small>	12.79 %



ASSET PERFORMANCE PROJECTIONS

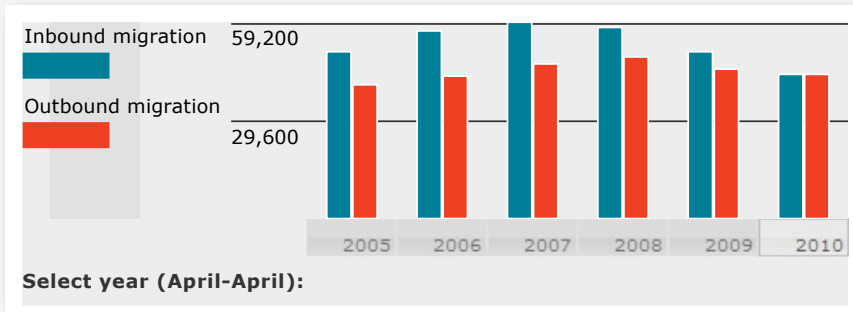
To measure and track the performance of a real estate investment, set a baseline for year one (Yield Analysis) and apply assumptions to the growth of rent, operating expenses and home price appreciation.

Cash Flow: 30 year projections based on the rent and expense assumptions in the Yield Analysis section of this report.

Investor Equity: The buildup of equity based on the price, mortgage balance and home price appreciation assumptions used in the Yield Analysis section.

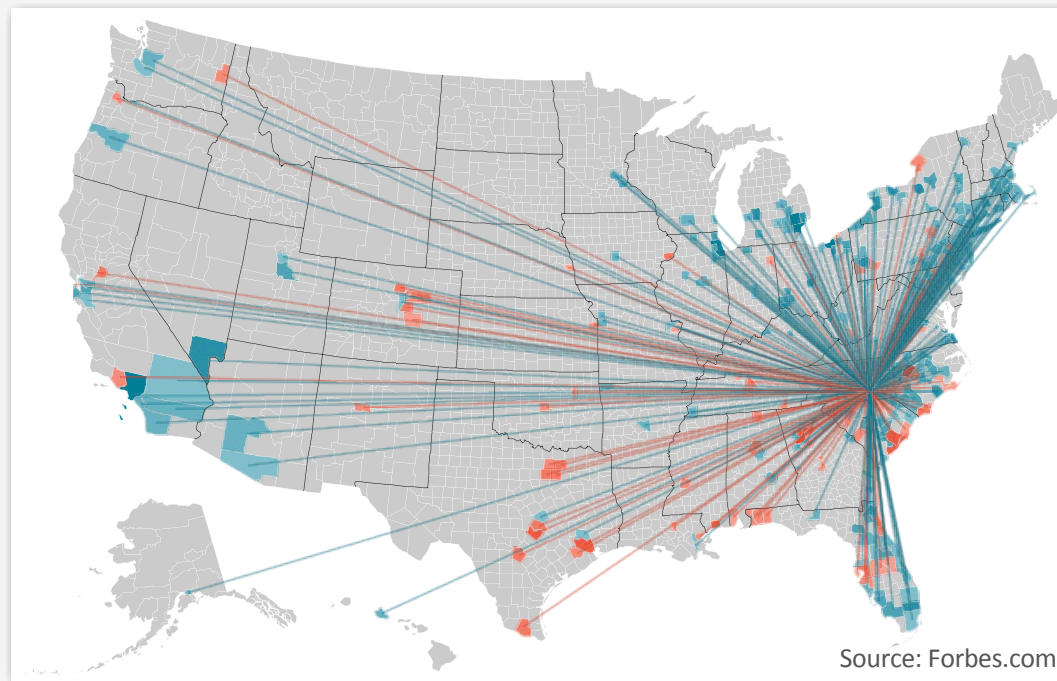
Rate of Return: The combination of cash flow and equity buildup assumptions above, expressed as a percentage of the total cash invested.

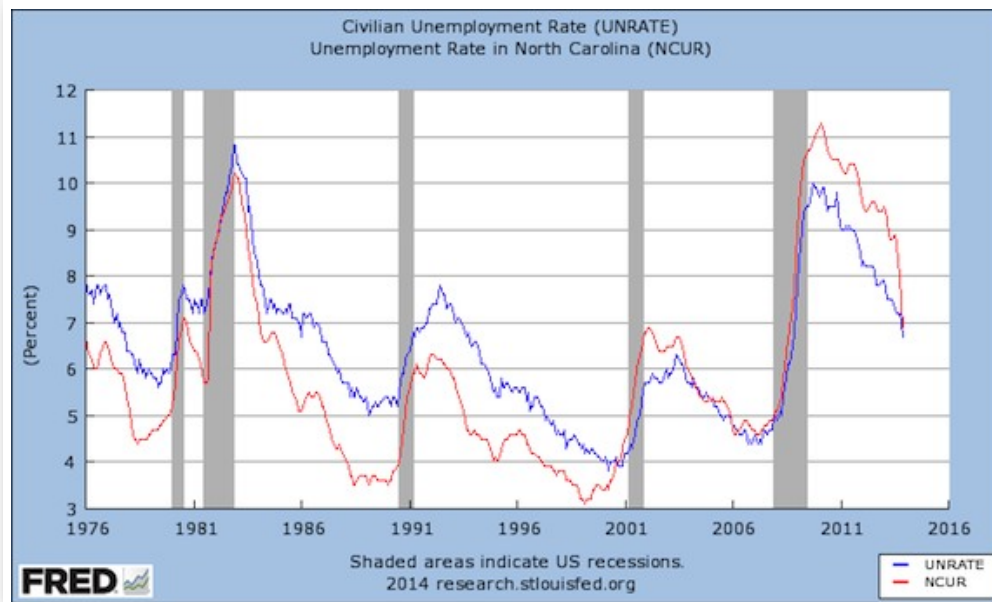
Mecklenburg County (Charlotte), N.C.



MIGRATION PATTERNS

Migration is a main driver of population change, and illustrates where people are moving from and to. Observations can be made as to why people are moving from and to specific counties. Are there positive or negative trends that are likely to be ongoing?

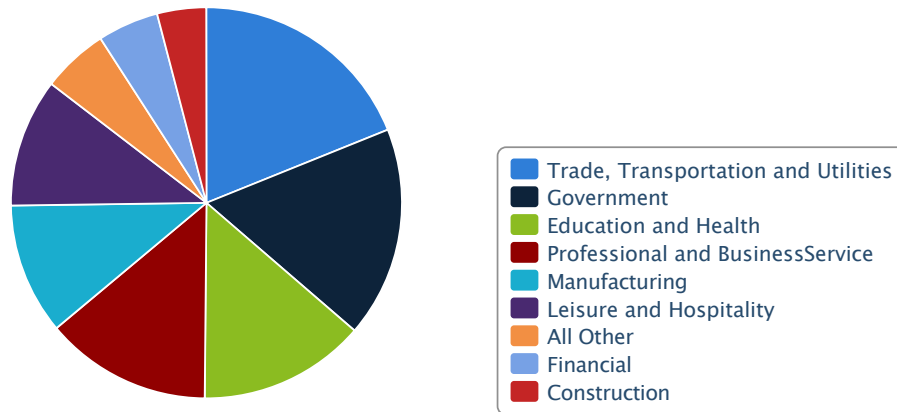




UNEMPLOYMENT RATE

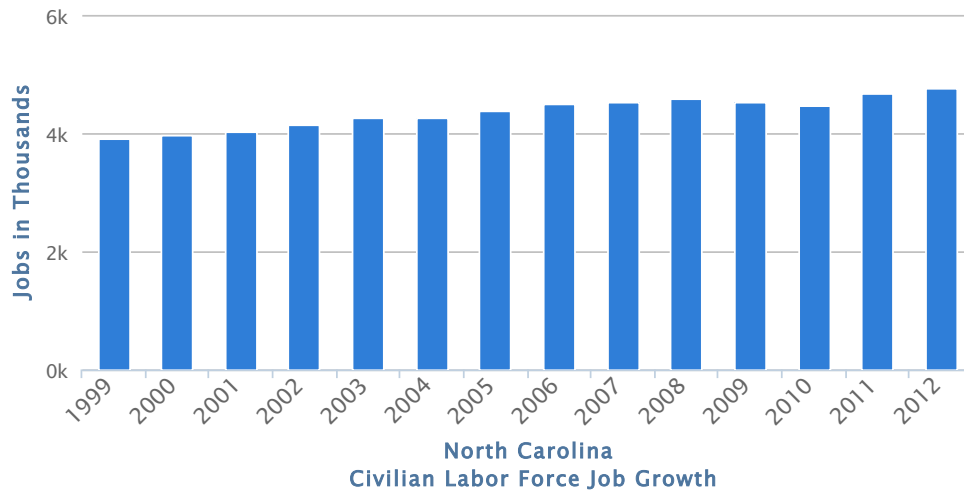
Civilian unemployment for the subject state can be contrasted with the national average. Grey shaded areas are recessions. Observations can be made as to the performance of the job market in good times and bad.

North Carolina 2013



EMPLOYMENT STRENGTH

Employment diversity illustrates how dependent a state is on specific trade sectors. Annual Job Growth shows raw payrolls over time.



Source: US Bureau of Labor Statistics